



State Representative Ron Ferguson

House Finance Committee

Sponsor Testimony for House Bill 498

December 6th, 2022

Chair Oelslager, Vice Chair Plummer, Ranking Member Sweeney, and members of the House Finance Committee: thank you for the opportunity to provide sponsor testimony on House Bill 498.

Over the past decade, public opinion on marijuana has changed dramatically. Today 37 states have legalized marijuana for medical use and 21 states have legalized marijuana for adult use. This includes over a dozen states who have legalized adult use marijuana by ballot initiatives including red states such as Montana and Missouri. In Ohio specifically, the decision to legalize marijuana for adult use could be on the ballot as early as 2023. At the federal level, conversations continue to move in the direction of de-scheduling marijuana, which would automatically legalize marijuana use, possession, and sale under Ohio Revised Code 3719.43.

The question of legalizing marijuana is no longer a matter of “if”, but a matter of “when”. For these reasons, my joint sponsor, Representative Callender, and I believe we must have conversations now regarding the very likely possibility of legalization in Ohio, which is why we have introduced the Adult Use Act, which would do the following:

- Transition the current Medical Marijuana Control Program to a new “Division of Marijuana Control” housed exclusively within the Ohio Department of Commerce. This would end the current multi-agency approach, streamlining the regulation, enforcement, and oversight of marijuana businesses, patients, caregivers, and consumers.
- Require the Department to adopt rules for the Division of Marijuana Control, including the sale of marijuana to adult consumers, within 9 months. When those rules are finalized, all currently licensed dispensaries would be able to sell to both registered patients and adult consumers.
- Impose a tax on the sale of marijuana to adult consumers of 10% in addition to any other sales taxes imposed at the time the transaction occurs. No additional tax would be imposed on the sale of medical marijuana to registered patients.
- Allow current Level I cultivators to expand their cultivation area to 100,000 square feet, and Level II cultivators to expand to 15,000 square feet, once expansion plans are approved by the Department, to ensure adequate supply once sales to adults begin.

- Maintain the rights of employers to have drug-free workplace policies and to prohibit the use of marijuana by their employees.
- Require the Department to conduct a study on discrimination in Ohio's medical marijuana industry prior to issuing new licenses, and to implement any necessary and appropriate remedies when issuing licenses. This process is required to ensure fairness in marijuana licensing while avoiding the constitutional defects that plagued the EDG set-aside provisions currently found in Chapter 3796.
- Allow for limited home cultivation of marijuana by adults in locked, enclosed spaces, and the possession and use of marijuana from those plants on the premises.
- Allow Ohio adults to possess up to 50 grams of marijuana, of which no more than 8 grams could be in the form of marijuana concentrate.

Thank you again for the opportunity to provide testimony and I would be happy to answer any questions at this time.